



## Press Clipping Article

**Title:** Farm bill sparks discussion - Environmental, anti-poverty groups weigh in at forum

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U.S. farm policy has reverberations that are felt across the globe, and often not in ways that are positive, a group of environmental and anti-poverty groups said Friday.

In particular, U.S. farm policy depresses prices for nations that depend greatly on farming for their livelihood, speakers said Friday at a Farm Bill forum at Mount St. Joseph.

Congress is beginning work on the 2007 Farm Bill -- a massive bill that will cover farm subsidies, conservation programs and food and nutrition programs such as food stamps. Decisions legislators make between now and the fall -- when the bill will likely be voted on and sent to President Bush -- will affect livelihoods all over the world, speakers at the forum said.

Rasa Dawson, a field organizer with Oxfam America, said the first Farm Bill was crafted in the 1930s in response to the Great Depression and the disaster of the Dust Bowl.

"It was never meant to be a permanent solution," Dawson said. But the bill was renewed every five years or so, and tightly controlled U.S. farm production.

In 1996, however, Congress passed the "Freedom to Farm" bill, which did away with production limits and the subsidies farmers received to leave land uncultivated.

The timing, however, couldn't have been worse. Foreign competition -- in the form of South American farmers producing giant soybean crops -- caused commodity prices to crash. Congress had to take emergency measures to help U.S. farmers, and put subsidy programs into the 2002 Farm Bill.

Dawson said Congress created farm subsidies for the 2002 bill but didn't reimpose crop production controls. The result has been that farmers can produce huge grain crops, collect the subsidies and dump what they can't sell domestically on foreign countries.

Farmers in many foreign countries cannot compete with subsidized U.S. crops, Dawson

said. The "dumping" of crops below cost on foreign markets also causes nations to lose trade dollars. In some cases, countries lose more from agricultural trade deficits than they receive in aid from the United States, Dawson said.

In America, subsidies mainly go to corn, rice, wheat, soybeans and cotton, Dawson said. "Over 60 percent of farmers in this country don't receive any subsidies at all," she said. The largest 3 percent of U.S. farms receive one-third of all crop subsidies, Dawson said.

When large agribusinesses receive subsidies, they are better positioned to buy out small farms or run them out of business, Dawson said. As farm consolidation continues, areas of rural America are losing population.

The next farm bill should shift emphasis away from subsidies -- especially subsidies that are considered "trade distorting," Dawson said. American cotton subsidies are already under scrutiny after the World Trade Organization declared them illegal, and similar lawsuits are brewing over U.S. corn subsidies.

Dawson said officials have to decide "would we rather reform our commodity system voluntarily ... or would we rather have them taken apart piecemeal by WTO?"

Hank Graddy, an attorney for the Sierra Club, said the Farm Bill should reward farmers who practice environmental stewardship. The bill should also continue to pay farmers who voluntarily retire environmentally sensitive land. Caps should be placed on certain incentives, and money should be given to small farm operations rather than large agribusinesses, Graddy said.

Adam Barr, a Meade County farmer and a board member with Community Farm Alliance, said farmers need to have price floors, so they are guaranteed a minimum price. Although corn prices are high now because of the wide interest in ethanol production, those prices could be transitory, Barr said.

"Who knows how long (the high price) is going to stay there?" Barr said.

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